

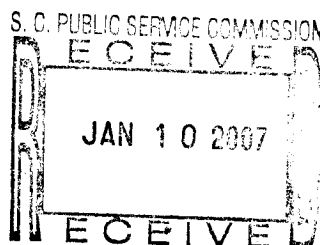


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January 9, 2007

Via U.S. Mail

Charles L. A. Terreni
Judy Matthews
Administrative Assistant
Public Service Commission of SC
101 Executive Center Dr.
Columbia, SC 29210
PH: (803) 896-5105
FAX: (803) 896-5199
EMAIL: judy.matthews@psc.sc.gov



Re: Requesting an Extension to Submit the Profile Testimony Letter from January 2, 200⁷~~6~~ to January 15, 2007
pertaining to Docket 2006-342-C

Dear Mr. Terreni:

This letter is requesting that the Public Service Commission of SC grant an extension to GSC Telecommunications, Inc. for submitting the Profile Testimony letter to the Commission Board. Additional time is being request by GSC Telecommunication at Docket 2006-342-C to satisfy the requirements by the scheduled hearing on February 20, 2006 to be heard by Examiner David Butler.

GSC Telecommunications, Inc. has applied with the State of SC to be incorporated for a Certificate of Public Convenience and Necessity to Provide Facilities Based Local Exchange and Resold Long Distance Telecommunications Services and for Flexible Regulation of Its Local Exchange Services and Alternative Regulation of Its Long Distance Service Offerings.

Thank you,

Dr. Edward L. Johnson, Jr.
Chief Executive Officer
GSC Telecommunications, Inc.
PH: (843) 664-2890 ext. 102

January 8th, 2007

**VIA ELECTRONIC FILING &
HAND DELIVERY**

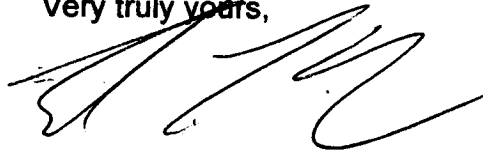
Mr. Chades Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Synergy Business Park, Saluda Building
1 01 Executive Center Drive
Columbia, SC 2921 0

Re: **GSC Communications Docket No. 2006-342-C**
Our File #10780SC0001

Dear Mr. Terreni:

Enclosed for filing please find the Testimony of Edward Johnson on behalf of GSC COMMUNICATIONS. The company does not intend to use telemarketing in South Carolina; therefore, no sample scripts are included. By copy of this letter we are serving the same on all parties. Please date-stamp the extra copies of the testimony as proof of filing and return them with our courier. If you have any questions, please have someone either email or call.

Very truly yours,



Doctor Edward Johnson

/elj

Enclosure

cc/enc: David Butler, General Counsel for PSC (via email & U.S. Mail)
 Margaret M. Fox (via email & U.S. Mail)
 Wendy Cartledge, Staff Counsel for ORS (via email & U.S. Mail)
 Mr. Brian Cox (via email & U.S. Mail)
 Patrick D. Crocker, Esquire (via email)
 Ms. Teresa Denemy (via email)
 Ms. Daphne Duke (via email)

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TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING REQUIREMENTS**

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

Docket No. 2006-342-C

IN THE MATTER OF

THE APPLICATION OF GSC)
COMMUNICATIONS, DBA GSC, FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY TO PROVIDE LOCAL)
EXCHANGE AND INTEREXCHANGE)
TELECOMMUNICATION SERVICES IN)
SOUTH CAROLINA AND FOR FLEXIBLE)
AND ALTERNATIVE REGULATION)
)
)
)

TESTIMONY OF EDWARD JOHNSON

*THIS DOCUMENT IS AN EAA CT DUPLICATE
OF THE E-FILED COPY SUBMITTED TO THE
COMMISSION IN ACCORDANCE WITH ITS
ELECTRONIC FILING REQUIREMENTS*

1 Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS FOR
2 RECORD

3 A. My name is Edward Johnson and I am the President and Chief Executive Officer of
4 GSC COMMUNICATIONS ("GSC" or "Company"). My business address is 181 East
5 Evans Street Suite 181, Florence, South Carolina, 29506

6 Q. WHAT ARE YOUR RESPONSIBILITIES?

7 A. To manage and guide our division supervisors while directing the company to be one of the
8 most cost efficient and customer friendly telephone companies in the country.

9 Q. PLEASE GIVE A BRIEF DESCRIPTION OF YOUR BACKGROUND
10 EXPERIENC

11 A. I have successfully guided GSC through the turmoil and transitions of the CLEC industry
12 over the las10 years guided TCI Wireless to be one of the leading MVNO's by firmly
13 sticking to principles of efficient use of resources and customer service driven telecom
14 products. I founded TCI in early 2001 to implement new internet and Wireless
communication technologies

15 leadership team has proven to be extremely effective. Under my leadership, TCI and
16 GSC was \$10.9 Million dollars

17 in gross revenues in 2006. Prior to TCI and GSC, I served as an executive for Zimusyo Corp
18 While I was there, I

19 achieved the honor of having the highest increase in sales volume of any executive in the
20 That company 4 years in a row.

21 Q. PLEASE BRIEFLY DESCRIBE YOUR COMPANY'S CORPORATE

22 A. GSC's is a limited liability company organized under the laws of the State of North
Carloina.
23 GSC is a privately-held company, not affiliated with or a subsidiary of any other company.

24 Q. ARE YOU FAMILIAR WITH THE APPLICATION YOUR COMPANY

1 **THIS COMMISSION?**

2 A. Yes,

3 Q. **WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

4 A. The purpose of my testimony is to present evidence in support of GSC's Application for
5 competitive local exchange and interexchange authority by demonstrating that GSC has the
6 ability to provide reliable telecommunication services throughout the State of South
7 Carolina, and by demonstrating why the granting of a Certificate of Public Convenience and
8 Necessity to GSC is in the public interests.

9 Q. **PLEASE DISCUSS THE MANAGERIAL ABILITY OF GSC TO PROVIDE**
10 **TELECOMMUNICATIONS SERVICES IN SOUTH CAROLINA.**

11 A. In addition to my experience, GSC has a management team with numerous years of
12 experience. Gary Stanley, Vice President, has over ten years of experience in technology
13 sales and management. GSC's Chief Financial Officer, Clare Davis, has 10 years
14 . John Spence is our Programmer with 20 years of experience in systems analysis
15 and development in both telecom back office and
16 manufacturing systems. A more detailed description of the background and experience of our
17
18

19 management team was provided as Exhibit C to the Application in this proceeding.

20 Q. **DESCRIBE GSC'S FINANCIAL ABILITY TO OPERATE AS A**
21 **TELECOMMUNICATIONS CARRIER.**

22 A. GSC provided its balance sheet and income statement for January 1, 2006, through
23 September 11, 2006, as Exhibit D to the Application in this proceeding. For that time period
24 our income statement indicates net income of \$698,000 GSC has sufficient resources to
25 support its operations and serve the public in South Carolina.

1 Q. PLEASE DESCRIBE THE OPERATIONS OF THE COMPANY AND THE SERVICES
2 PROPOSES TO OFFER IN SOUTH CAROLINA.

3 A. GSC was organized under the laws of the State of North Carolina on February 23, 2001.
4 Company proposes to offer competitive local exchange and interexchange
5 telecommunication services throughout the BellSouth service areas and local service bundled
6 with long distance services. GSC proposes to offer a variety of competitive local exchange
7 services including basic service, custom-calling features, and intraLATA toll services
8 utilizing incumbent local exchange carrier unbundled network elements. GSC does not
9 intend to offer interexchange services on a stand alone basis. We plan to target residential
10 and small business customers. Customers who utilize our service will benefit from our
11 competitive price and customer service.

12 The specific competitive local exchange services GSC proposes to offer are more fully
13 described in its local exchange and interexchange tariffs. GSC's tariffs establish the rates,
14 terms and conditions of the Company's service offerings, including specific service
15 requirements established by the South Carolina Public Service Commission. The Company
16 believes that its services are competitive with similarly-situated service providers.

17 Q. HAS THE COMPANY EXECUTED A STIPULATION WITH THE SOUTH CAROLINA
18 TELEPHONE COALITION?

19 A. The company intends to offer services initially only in BellSouth's service area. We have
20 executed the stipulation with the South Carolina Telephone Coalition and are seeking
21 statewide certification subject to the Stipulation. We request that the Commission approve
22 the stipulation in this proceeding.

23 Q. WHAT FACILITIES WILL GSC USE TO PROVIDE ITS PROPOSED
24 TELECOMMUNICATIONS SERVICES?

25 A. GSC will be relying on the technical network capabilities of its underlying carrier(s) for all

1 network and transport facilities in the provision of access and egress for its local and
2 interexchange services.

3 Q. **HAS YOUR COMPANY BEGUN NEGOTIATIONS WITH INCUMBENT LECS**
4 **IN SOUTH CAROLINA?**

5 A. We already have an existing market agreement along with an existing interconnection
6 agreement with BellSouth.

7 Q. **HOW WILL GSC BILL FOR ITS SERVICES?**

8 A. GSC will bill through its Billing System, Wire Bill. The bill will include a toll free
9 customer service number, customer service email address, and our customer service website
10 where the customer can submit a ticket directly to our technicians or chose "live help" where
11 the customer can chat live with a customer service representative. All billing issues are
12 handled directly through our customer service representatives in our office.

13 Q. **DOES GSC PRESENTLY OFFER OR PROVIDE INTRASTATE SERVICE IN**
14 **SOUTH CAROLINA?**

15 A. No.

16 Q. **DOES THE COMPANY OFFER A DEBIT OR PREPAID CALLING CARD?**

17 A. At this time, the Company will not be offering a debit or prepaid calling card service. We
18 understand that the Commission requires companies offering prepaid calling cards to file a
19 \$5000 bond prior to offering that service. If we decide to offer the cards in the future, GSC
20 will comply with that requirement when it notifies the Commission and ORS of the debit
21 card service offering.

22 Q. **HOW WILL GSC MARKET ITS SERVICES?**

23 A. GSC will market its services directly to customers via ads and through existing retail outlets
24 throughout South Carolina.

25 Q. **DOES GSC USE TELEMARKETING AS A METHOD FOR SELLING ITS SERVICES?**

1 A. No.

2 Q. **HOW ARE CUSTOMER INQUIRIES/DISPUTES HANDLED?**

3 A. GSC's customer service department is available to resolve any disputes. Customers may
4 reach the Company's customer service staff via its toll free number 888-839-4595 or
5 via

6 facsimile at 843.664.2820 or by letter and the address listed on the bill. Customers may
7 escalate the dispute to the responsible contact person and may, of course, seek Commission
8 intervention if necessary. GSC's employees embrace a strong customer service orientation
9 that makes meeting customer needs an absolute priority. Our customer service department is
10 open from 8:00 a.m. until 5:00 p.m. eastern time for general customer service or billing
11 questions. We are available 24 hours per day, seven days a week for outages or repairs.

12 Q. **WHO IS THE CONTACT PERSON AT THE COMPANY THAT THE**
13 **COMMISSION STAFF SHOULD CONTACT REGARDING CUSTOMER**
14 **COMPLAINTS OR REGULATORY ISSUES?**

15 A. Dr. Edward Johnson is the person that the Commission should contact regarding
16 complaints or regulatory issues. Dr. Edward Johnson can be reached at (843) 664-2890
17 address is 181 East Evans Street, BTC-018, Florence, SC 29505

18 Q. **IN WHAT STATES HAS GSC RECEIVED AUTHORITY TO PROVIDE**
19 **SERVICES?**

20 A. GSC has authority to provide local and long distance service in: North Carolina,
21 Kentucky. GSC has authority to provide long distance service in these same areas.

22 Q. **WHERE DOES GSC CURRENTLY HAVE APPLICATIONS PENDING TO**
23 **PROVIDE SERVICES?**

24 A. GSC has local exchange applications pending only in South Carolina.

25 Q. **HAS GSC EVER BEEN DENIED CERTIFICATION IN ANOTHER STATE?**

A. No.

1 Q. HAS GSC EVER BEEN SUBJECT TO ANY FEDERAL OR STATE INVESTIGATION
2 REGARDING ITS SERVICES?

3 A. No.

4 Q. WHY IS THE COMPANY SEEKING EXEMPTIONS FROM USOA, DIRECTORY
5 PUBLISHING, MAINTAINING RECORDS IN SOUTH CAROLINA, AND CERTAIN
6 REPORTING REQUIREMENTS?

7 A. We respectfully request that we be exempt from any Commission policy that might require a
8 carrier to maintain its financial records in conformance with USOA. As a competitive
9 carrier, we maintain our books in accordance with GAAP; and therefore, do not possess the
10 detailed cost data required by USOA. GSC requests a waiver of the requirement of
11 publishing a local exchange directory. The Company will arrange with the incumbent
12 carriers for publishing its customers' numbers in the ILEC's directory. GSC also will
13 adhere to the requirements of 26 S.C. Reg. 103-61 0 that a carrier keep all records required by
14 the Commission's rules and regulations with the State of South Carolina. Since the
15 Company's corporate records are in North Carolina and it does anticipate maintaining
16 offices or personnel in South Carolina, it will not create an additional expense and
17 be unduly burdensome to maintain records in South Carolina. We will have a registered
18 agent in South Carolina and bear any costs associated with the Commission's inspection of
19 our records and books at our headquarters

20 Q. IN YOUR OPINION, WOULD THE ISSUANCE OF A CERTIFICATE TO GSC BE IN
21 THE PUBLIC INTEREST?

22 A. GSC's proposed services will allow customers to obtain competitive services and rates.
23 Customers will benefit from GSC's industry experience and innovative service offering and
24 billing options. Additionally, an increase in the traffic generated through the provision of the
25 Company's proposed intrastate services over existing facilities will help improve the

1 efficiency of those facilities and reduce the underlying carriers' costs in provisioning such
2 services. And the State of South Carolina will realize an increase in tax revenue. I believe
3 that GSC will operate as the very type of responsible, solid telecommunications carrier that
4 the Commission wishes to enter the State of South Carolina.

5 Q. **WILL THE SERVICE YOUR COMPANY INTENDS TO PROVIDE MEET THE**
6 **SERVICE STANDARDS OF THE COMMISSION?**

7 A. Yes.

8 Q. **WELL GRANTING YOUR APPLICATION ADVERSELY IMPACT THE AVAILABILITY**
9 **OF AFFORDABLE LOCAL EXCHANGE SERVICE?**

10 A. By granting GSC's certificate, the Commission will be fostering greater competition in the
11 local exchange telecommunication service markets. With additional competition, existing
12 providers will strive to offer services at the lowest rates and most innovative features
13 possible to attract new customers and retain existing customer bases.

14 Q. **WILL YOUR COMPANY SUPPORT UNIVERSALLY AVAILABLE TELEPHONE**
15 **SERVICE AT AFFORDABLE RATES AS REQUIRED BY THE COMMISSION?**

16 A. Yes, the Company will support Universal Service.

17 Q. **IS GSC REQUESTING RELAXED REGULATORY TREATMENT?**

18 A. Yes. Since we will be a non-dominant, competitive provider of local exchange services, we
19 request that the Commission regulate our Company in the same relaxed fashion authorized in
20 Order No. 98-165 in Docket No. 97-467-C and extended to similarly situated carriers. We
21 understand that this flexible regulatory treatment requires that we file maximum rates for our
22 local service offerings. Local tariff filings would be presumed valid once they are filed
23 subject to the Commission's right to investigate the filing within thirty days.

24 Q. **HAS GSC REQUESTED ALTERNATIVE REGULATION OF ITS OPERATOR SERVICE**
25 **OFFERINGS?**

1 A. Yes. GSC requests that the Commission regulate these services in accordance with the
2 principles and procedures established for alternative regulation in Order Nos. 95-1734 and
3 96-5 5 in Docket No. 95-661 -C which was approved for AT&T and other similarly situated
4 companies. It is our understanding that maximum rates would be eliminated for these
5 services. In addition, tariff filings are presumed valid upon filing, subject to the
6 Commission's right within seven days to begin an investigation.

7 We understand that the alternative regulation orders were modified by Order No. 2001-997 in
8 Docket No. 2000-407-C so that rate caps for operator-assisted calls where a consumer uses a
9 local exchange carrier's calling card to complete calls from locations which have not selected
10 that local exchange carrier as their toll provider were reestablished. The order imposed a
11 maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35
12 related to the flat per-minute rate associated with these calls.

13 Q. **DOES THIS CONCLUDE YOUR TESTIMONY?**

14 A. Yes.

IN THE MATTER OF

)))))))))))

Margaret M. Fox, Esquire
McNair Law Firm, P.A.
P.O. Box 11390
Columbia, SC 29211

Wendy B. Cartledge, Esquire
Office of Regulatory Staff
1441 Main Street, Suite 300
Columbia, SC 29201

Dated at Columbia, South Carolina this 8th day of January, 2007.

A handwritten signature in black ink, consisting of several stylized, overlapping loops and strokes, positioned above a horizontal line.

Edward Lawrence Johnson